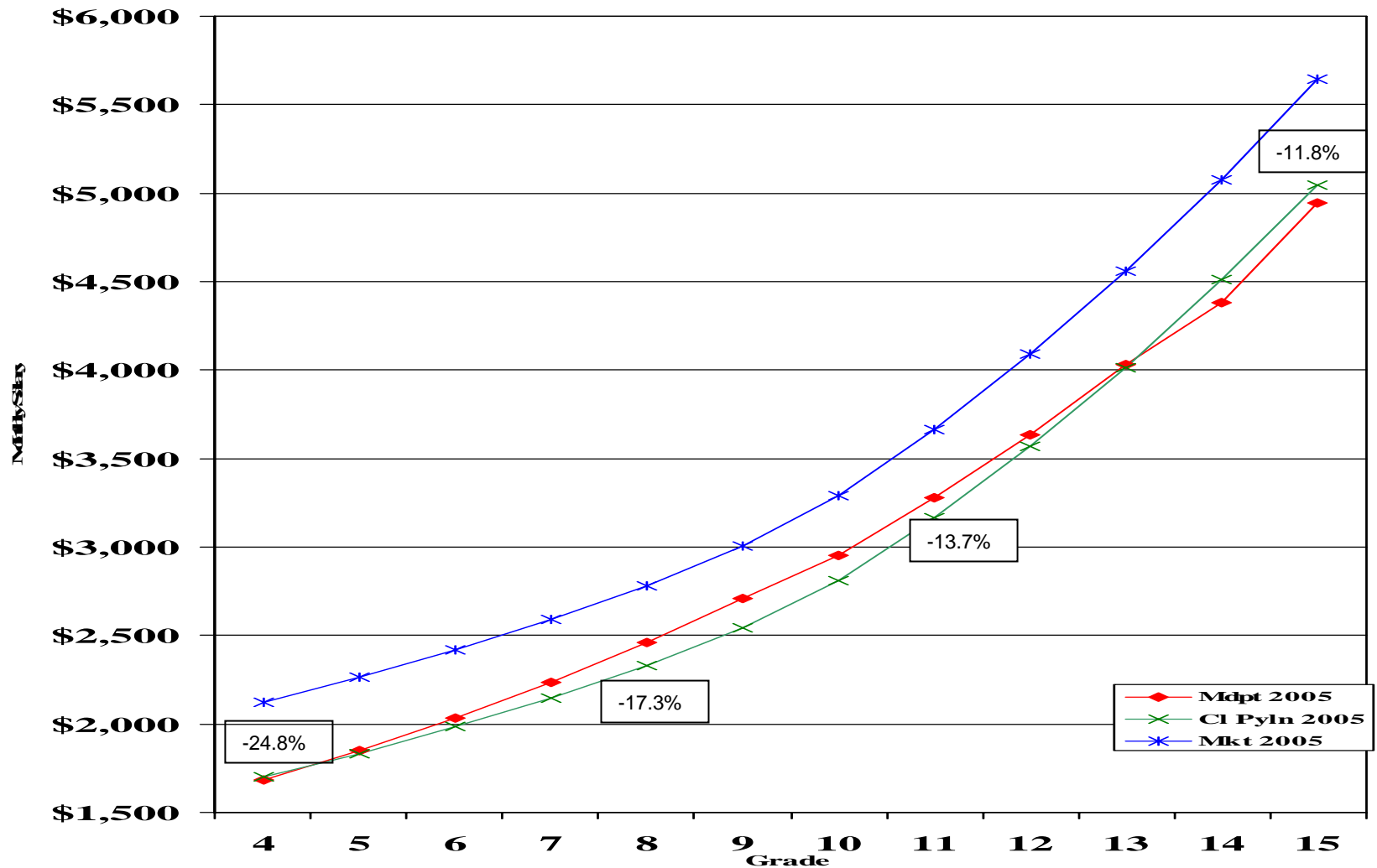


Employee Benefits Programs Committee

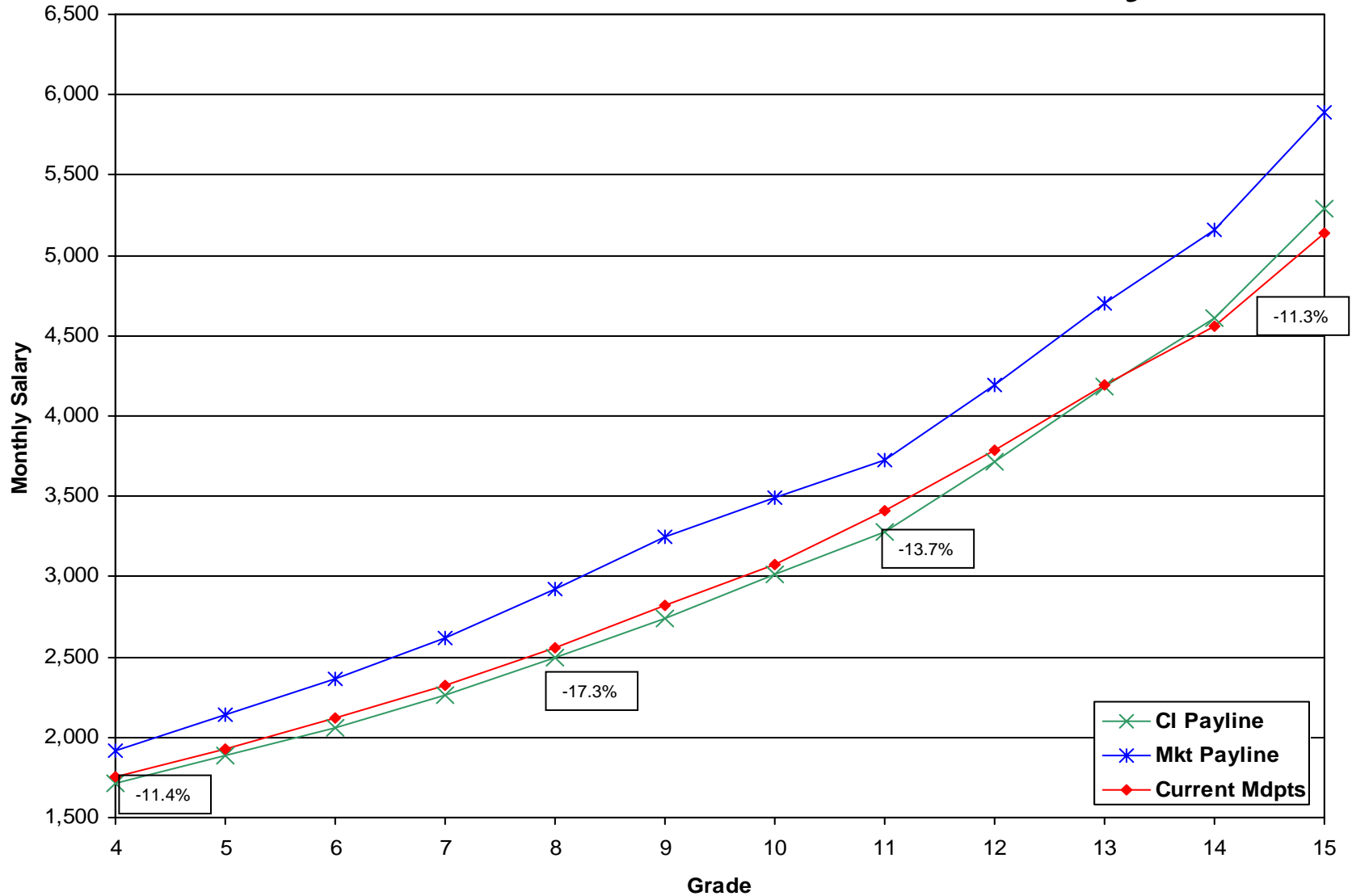
October 24, 2006

HR Management Services Div
Office of Management & Budget

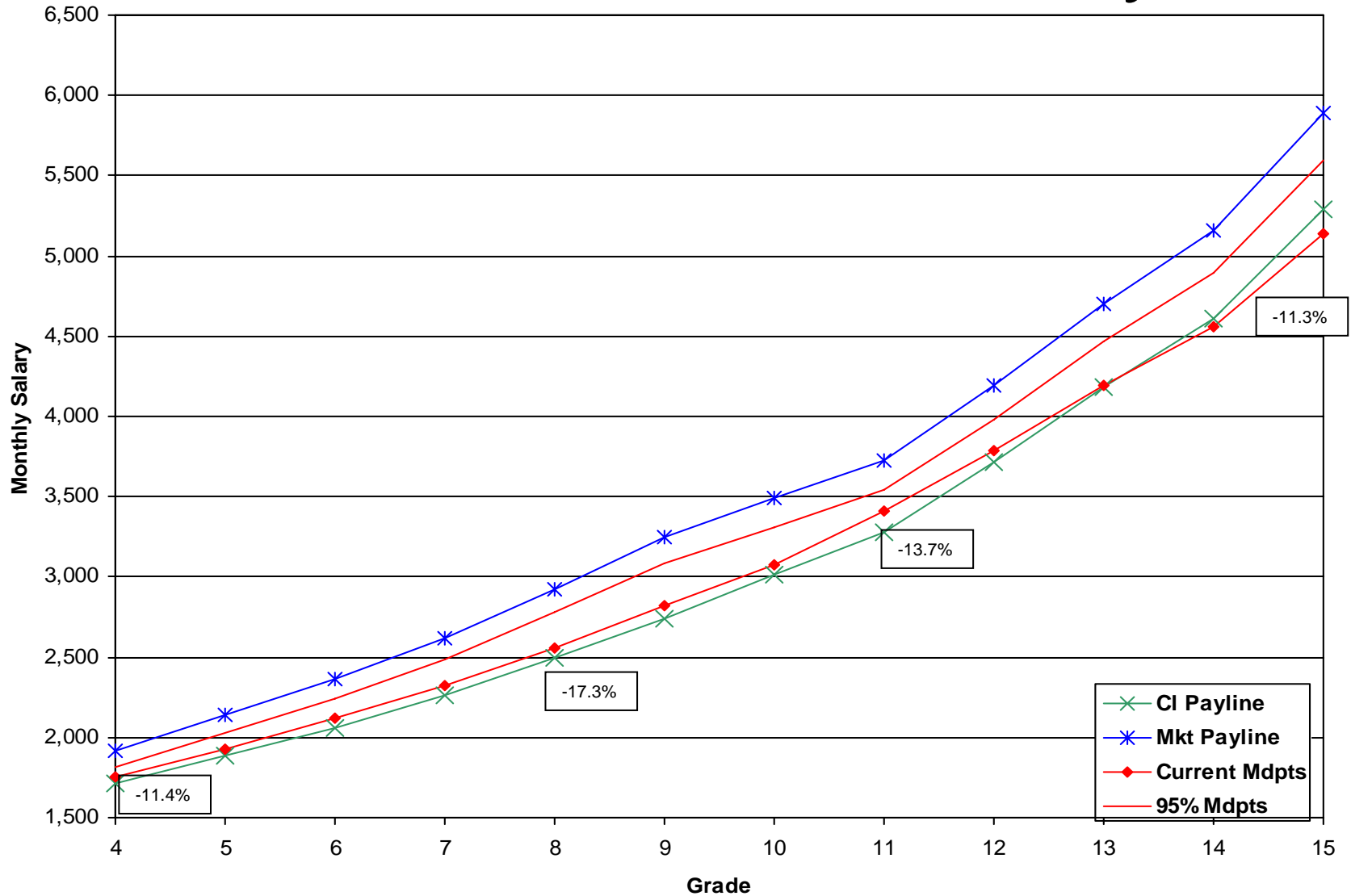
2005 Classified & Market Paylines



2006 Classified & Market Paylines



2006 Classified & Market Paylines



Benefit Value Comparison

CSCA 2006

Average Salary = \$40,035 per hour = \$19.25												
State	Vacation Hours 5-9 yrs	Sick Hours	Holiday Hours	Full Family Health Insurance Employer Cost	Dental Insurance	Vision Insurance	Life Insurance	Retirement	Social Security	Total Benefit Value	% of Salary	Salary + Benefit Value
Colorado	120	80	80	\$567.42	\$18.88			10.90%				
per hour	\$1.11	\$0.74	\$0.74	\$3.27	\$0.11		\$0.04	\$2.10		\$8.11	42.14%	\$27.36
Iowa	120	144	88	\$973.00	\$24.55		\$0.23	5.75%	6.20%			
per hour	\$1.11	\$1.33	\$0.81	\$5.61	\$0.14		\$0.01	\$1.11	\$1.19	\$11.33	58.84%	\$30.57
Kansas	120	96	80	\$604.30	\$23.94			5.77%	6.20%			
per hour	\$1.11	\$0.89	\$0.74	\$3.49	\$0.14		\$1.11	\$1.19	\$8.67		45.03%	\$27.92
Minnesota	130	104	88	\$608.00	\$20.02			4.00%	6.20%			
per hour	\$1.21	\$0.96	\$0.81	\$3.51	\$0.12		\$0.77	\$1.19	\$8.57		44.52%	\$27.82
Missouri	120	120	96	\$702.00			\$0.33	12.78%	6.20%			
per hour	\$1.11	\$1.11	\$0.89	\$4.05			\$0.06	\$2.46	\$1.19	\$10.87	56.47%	\$30.12
Montana	120	96	84	\$506.00	\$28.60		\$0.15	6.90%	6.20%			
per hour	\$1.11	\$0.89	\$0.78	\$2.92	\$0.17		\$0.01	\$1.33	\$1.19	\$8.39	43.61%	\$27.64
Nebraska	120	96	96	\$1,142.00			\$0.14	7.49%	6.20%			
per hour	\$1.11	\$0.89	\$0.89	\$6.59			\$0.02	\$1.44	\$1.19	\$12.13	63.00%	\$31.37
Oklahoma	144	120	80	\$1,098.00			\$0.33	11.50%	6.20%			
per hour	\$1.33	\$1.11	\$0.74	\$6.33			\$0.04	\$2.21	\$1.19	\$12.96	67.34%	\$32.21
South Dakota	120	112	92	\$442.00			\$0.21	6.00%	6.20%			
per hour	\$1.11	\$1.04	\$0.85	\$2.55			\$0.03	\$1.15	\$1.19	\$7.93	41.18%	\$27.17
Wyoming	120	96	72	\$874.00	\$11.13		\$0.29	11.25%	6.20%			
per hour	\$1.11	\$0.89	\$0.67	\$5.04	\$0.06		\$0.08	\$2.17	\$1.19	\$11.21	58.26%	\$30.46
10-State Average =	\$1.14	\$0.98	\$0.79	\$4.34	\$0.12		\$0.04	\$1.58	\$1.19	\$10.02	52.04%	\$29.26
North Dakota	120	96	84	\$650.00			\$0.19	9.12%	6.20%			
per hour	\$1.11	\$0.89	\$0.78	\$3.75			\$0.00	\$1.76	\$1.19	\$9.48	49.23%	\$28.72

NOTE: - This analysis shows the value of benefits using a constant dollar amount. By using a "Relative Dollar Value", states can effectively compare the value of their benefits to other states.

- When variable rates or ranges were given for annual, sick, or holidays, an average was used. (5 years of service).

- This Value Analysis was calculated using the Average Salary from Table 35.

- When variable rates or ranges were given for life insurance, an average was used.

- Where there was a range reported for health, dental and vision insurance, the highest amount of state contribution was used for family coverage.

Midpoint: Options & Costs

- 90% Midpoints
 - 124 Employees below new minimums
 - \$246,000/yr to meet new minimums
 - New Compa-Ratio = 0.96
- 95% Midpoints
 - 516 Employees below new minimums
 - \$720,000/yr to meet new minimums
 - New Compa-Ratio = 0.90
- 100% Midpoints
 - 1,122 Employees below new mins
 - \$1,900,000/yr to meet new minimums
 - New Compa-Ratio = 0.86

SECC Recommendations

\$8 Mill Mkt/Equity

•C/R = 0.97

•5% Gen Inc Perf/Equity

•C/R = 1.02

\$8 Mill Mkt/Equity

•C/R = 0.92

•5% Gen Inc Perf/Equity

•C/R = 0.96

\$8 Mill Mkt/Equity

•C/R = 0.87

•5% Gen Inc Perf/Equity

•C/R = 0.92

95% Midpoint: *Range Options*

- New Compa-Ratio = 0.90 (Current 0.96)
- Min = 75% of Midpoint (Normal Range)
 - 516 Employees below new minimum
 - \$720,000/yr to meet new minimums
- Min = 70% of Midpoint (Extended Minimum)
 - 102 Employees below new minimum
 - \$205,000/yr to meet new minimums

Mkt/Eqty Options & Impact

- \$8 Mill Mkt/Eqty (SECC Recommendation)
 - \$1.5 Mill to meet new minimums (C/R 0.91)
 - \$6.5 Mill remaining for Mkt/Eqty distribution (C/R 0.92)

SALARY INCREASE MODEL - 2007													
Special Market/Equity Increase													
Prepared by:	ND HR Management Services Div										Salary Increase:		# Employees rcvg:
	Office of Management & Budget										4.0%	168	
											3.0%	713	
											2.0%	1,960	
											1.0%	1,570	
											0.0%	1,948	
Increase Information				General Information									
Total # E'ees: 6,359				# Employees: 6,359									
E'ees Receiving Increases: 4,411				Avg Salary: Current \$2,979 New \$3,016									
Total Market/Equity Salary Increase: \$ 5,438,208				Avg Compa-Ratio: 0.91 0.92									
				Yrs Svc (7/1/01): 13.4									
Total Market/Equity Cost: \$ 6,338,702				Yrs in Cls/Grd (7/1/01):									
Total General Fund Cost:				Avg Increase \$: \$35.63									
Total Special Fund Cost:				Avg Increase %: 1.3%									

MARKET/EQUITY MODEL 2007

RANGE COMPRESSION MATRIX

Yrs Svc		8-title				
From:	Up To:	1	2	3	4	5
12	99	4.0%	3.0%	2.0%	1.0%	0.0%
7	12	3.0%	2.0%	1.0%	0.0%	0.0%
0	7	2.0%	1.0%	0.0%	0.0%	0.0%

- Mkt/Eqty Increases range from 0% to 4% depending on Yrs of Service
- 4,411 of 6,359 Classified Employees receive share of Mkt/Eqty
- Compa-Ratio increases from 0.91 to 0.92
- Average Increase is \$35; 1.3%
- Agency allocations range from 0 to 2% of classified salaries

Performance/Equity General Increase

SALARY INCREASE MODEL - 2007																	
Prepared by:			ND Human Resource Management Services				Percent Performance - Share Equity Matrix										
			Office of Management & Budget														
							MODEL 1										
														</			